



Oklahoma Office of Workforce Development  
900 N. Portland Ave.  
Oklahoma City, OK 73107

**OKLAHOMA WORKFORCE DEVELOPMENT ISSUANCE #XX-20XX**

**TO:** Workforce Development Board Chairs  
Workforce Development Board Staff  
Workforce Development Fiscal Agents

**FROM:** Sarah Ashmore, Interim Executive Director

**DATE:**

**SUBJECT:** Use of Grant Funds to Pay for the Cost of Meals, Food, Coffee or other Refreshments.

**PURPOSE:** The Oklahoma Office of Workforce Development (OOWD) as the Governor's chosen Workforce Innovation and Opportunity Act (WIOA) administrative entity provides this issuance as guidance to the Local Workforce Development Boards on the provision of utilizing Federal funding to provide meals for external customers and employees.

**REFERENCES:**

- 2 CFR 200.403
- 2 CFR 200.404
- 2 CFR 200.405
- 2 CFR 200.432

**MESSAGE:** This Oklahoma Workforce Issuance (OWDI) is to provide the Local Workforce Development Boards with information on providing meals and refreshments to external customers, and youth participants, during meetings and conferences. As well as using grant funds to pay for cost of meals, food, coffee or other refreshment for employees.

The costs of meals and refreshments are allowable with conditions. However, in accordance with the authorities cited above, costs can be incurred only when necessary and reasonable for the proper and efficient performance and administration of a grant award.

While the allowability of such costs is determined on a case-by case basis, it is important to consider:

<b>RESCISSIONS</b> OWDI #14-2013	<b>EXPIRATION DATE</b> Continuing
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OOWD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

- The reasonableness of the aggregate costs to demonstrate that Boards have acted with due prudence in circumstances, considering their responsibilities to the government unit, its employees, the public at large, and state or Federal Government and;
- aggregate costs periodically-e.g., over a 12-month period-to identify needed changes to the policies in order to avoid incurring individual and aggregate costs that appear excessive or lavish.

Examples of when a reasonable need arises to incur such costs include, but are not limited to, the following:

- An all-day meeting will not cover all necessary technical information unless technical information is also provided during a time when a meal would normally be consumed;
- technical information needs to be provided on a date when the only time that attendees are available to attend the meeting is during a mealtime;
- it is necessary to hold the event or provide the technical information during a time when a meal would normally be consumed, and attendance would be diminished because attendees would forego the event or technical assistance for their meal; or
- disruption of scheduled events (e.g., whether attendees would be likely to return-or their absence would cause significant delays-if required to leave the event to obtain a meal or refreshments).

The use of Federal funding to pay for meals, food, coffee or other refreshments (hereafter referred to as “meals”) consumed by employees is prohibited except as described below.

- When an employee is in a travel status, the cost of meals is limited to such costs that are allowable by the grantee’s official travel policies, or, in the absence of an official travel policy on the issue, the Federal Travel Regulations (FTRs) apply. The FTRs provide for a per diem or an actual expense system to underwrite the cost of meals consumed by employees when in a travel status. The FTRs permits such payments only when an employee is in travel status overnight. An exception to the overnight requirement is provided when travel during the course of a day exceeds 12 hours and is authorized in advance.
- Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the [institution’s] non-federally-sponsored activities.
- Allowable costs of meals incidental to the cost of meetings and conferences where the primary purpose is the dissemination of technical information.
- Costs of meals incidental to the cost of meetings and conferences are allowable when the grantee incurs such costs in the process of conducting meetings or conferences with external customers and other professional colleagues outside of the entity’s

organization. Therefore, if employees are participating in an allowable activity then the incidental costs for the meals and refreshments they consume may be allowable;

- Charging costs for meals while engaging in day-to-day business or staff training with employees of that organization, including the supervision of youth participants, does not fall within the criterion of conducting meetings or conferences. Staff engaging in day-to-day business or staff training must pay for their own meals;
- The cost of a “working lunch” with external customers and other colleagues is only considered “reasonable and necessary” when there is adequate documentation on the necessity of having the meeting during a mealtime instead of during normal business hours.

Providing meals for youth in all day workshops must be addressed in the LWDB approved supportive services policy and be adequately documented to support the necessity and reasonableness of the meal. (Important piece here...it must be in board approved supportive service policy).

- WIOA regulations require LWDBs to establish limits on the provision of supportive services, the maximum amount of funds to be spent, and maximum length of time supportive services may be available to participants. Local policy must clearly define the circumstances under which it may be necessary to serve a to youth participants during an all-day training/workshop session.

Key factors affecting the allowability of such costs include:

- The reasonableness of the cost (i.e., the per-participant cost is not higher than the Per Diem rate for the location of meeting or lowest quote);
- the event duration or timing (e.g., all day or when it is necessary to hold or continue an activity during a normal mealtime);
- location (e.g., limited access to or limited number of establishments); and
- quantity of meals or refreshments provided compared to projected attendance (it is recommended to reduce the total number of RSVP's by 10 percent to allow for no shows or cancellations to reduce overage of unused meals).

#### Documentation

All costs must be adequately documented; such documentation must include:

- The necessity of incurring such costs;
- the allowability of such costs in accordance with applicable cost principles;
- the number of attendees;
- to whom the meals or refreshments were made available to (e.g., agenda, sign-in sheet, hours worked and roles); and
- other documentation that verifies the expenditure amount and appropriateness to the grant (e.g., grant related subjects that were discussed).

Food allowances for youth participants attending all day workshops will be paid and documented in the same manner as other allowable supportive services.

- Actual attendance in training must be verified;
- a signed Time and Attendance sheet will serve as a self-attestation of participant attendance;
- the Service Provider will be required to document the actual cost of meals each day;
- the meal allowance per day shall not exceed your LWDA approved amount) per participant per day;
- remember the reimbursement of tips are unallowable;
- each day's meal will require 3 price quotes;
  - if you know you are going to have 3 workshops in the summer, you may procure from the same vendor to cover the entire timeframe after you receive your 3 price quotes;
  - if you do outings, call ahead and obtain quotes; and
- the cost of each meal must be included in the total supportive services provided to each participant and cannot exceed the LWDB's supportive service limits for such costs.

**INSTRUCTIONS:** Grantees should have written policy established that is consistent with this guidance. The lack of appropriate policies, procedures and systems could result in findings and disallowed costs.

**EQUAL OPPORTUNITY AND NONDISCRIMINATION STATEMENT:** All Recipients, and Sub recipients/Sub grantees must comply with WIOA's Equal Opportunity and Nondiscrimination provisions which prohibit discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, or, for beneficiaries, applicants, and participants only, on the basis of citizenship status or participation in a WIOA Title-I financially assisted program or activity.

**ACTION REQUIRED:** This Oklahoma Workforce Development Issuance (OWDI) is to become a part of your permanent records and made available to appropriate staff and sub-recipients.

**INQUIRIES:** If you have any questions about this issuance, please contact Connie Littleton, Financial Policy and Program Officer in the Oklahoma Office of Workforce Development. Contact information can be found at <http://www.oklahomaworks.gov/about/>.